

Income Maintenance Advisory Committee
Department of Health and Family Services
Division of Health Care Financing
February 20, 2003
Minutes

County Attendees: **Ed Kamin**, Co-Chair, Kenosha Co. DHS; **Bob Macaux**, Florence Co.; **Shirley Ross**, LaCrosse Co.; **Jackie Bennett**, Racine Co. HSD; **Liz Green**, Dane Co. DHS; **John Rathman**, Outagamie Co.; **Sheryl Siegl**, Winnebago Co. DHS; **Michael Poma**, Milwaukee Co.; **Sue Schmitz**, Waukesha Co.; **Nan Pahl**, Brown Co.; **Joanne Faber**, Washington Co.; **Lynn Brenner**, Calumet Co.; **Terri Rapp**, Wood Co.; **Gloria Guitan**, Milwaukee Co.; **Vanessa Robertson**, Milwaukee Co.; **Cindy Sutton**, Rock Co.; **Felice Riley**, Milwaukee Co.

State Attendees: **Susan Wood**, Co-Chair, DHFS/DHCF/BIMA; **Cheryl McIlquham**, DHFS/DHCF/BHCE; **Jim Jones**, DHFS/DHCF/BHCE; **Rick Zynda**, DHFS/DHCF/BIMA; **Amy Mendel-Clemens**, DHFS/DHCF/BIMA/Call Center; **Jodi Ross**, DHFS/DHCF/BIMA; **Sara Pynenberg**, DHFS/DHCF/BIMA; **Scott Riedasch**, DHFS/DHCF/BHCE; **Theresa Fosbinder**, DHFS/DHCF/BIMA; **Bernadette Connolly**, DHFS/DHCF/BIMA; **Brian Fangmeier**, DHFS/DHCF/BIMA; **Janice Tripp**, DHFS/OSF; **Marilyn Rudd**, DHFS/DHCF/BIMA; **Essie Herron**, DHFS/DHCF/BIMA, Milwaukee Region; **Joanne Simpson**, DHFS/DHCF/BIMA; **Vicki Jessup**, DHFS/DHCF/BIMA; **John Haine**, DHFS/DHCF/BIMA; **Mike McKenzie**, DHFS/DHCF/BIMA; **Bob Martin** and **Gerry Mayhew**; DWD

1. Administrative Items:

- The December and January meeting minutes were distributed. It was agreed to review and approve the minutes at our next scheduled meeting.
- Meeting agendas will now appear in The Wheeler Report, per Dick Wheeler

2. Update and Finalize Sub-Committees List

- The Committee reviewed and updated the 2003 IMAC Subcommittee members. Additional members were added to the subcommittees. Any additional names should be submitted to Joanne Simpson. The Committee will be sending a thank you letter to the former members of the sub-committees.

3. Status Report on the Family Planning Waiver

Over 5000 applications have been received statewide, with 2,575 found eligible through CARES so far and over 3,000 through the presumptive eligibility process. Presumptive eligibility forms, as well as the regular MA/BC/FPW applications, are now in stock and can be ordered through the normal channels. The FPW Operations

Memorandum is available online now. A letter from Secretary Nelson to DHHS Secretary Thompson has been drafted seeking assistance to resolve policy issues associated with the way Family Planning Waiver fits with to the Wisconsin Well Woman Program and Well Woman Medicaid.

4. Sub-Committee Reports

- Training and Technical Assistance
A written report was provided.
- Workload and Financing
A written report was provided.

5. USDA Food Stamp Program Participation Grant

Wisconsin has prepared a proposal seeking funding to increase Food Stamp participation, integrate with Medicaid, and reduce error rates. The first part of the grant application seeks funding for CARES changes. This includes a "Customer Service Toolbox" with four web-based functions. First is the screener, with basic eligibility information, including Family Medicaid with options for expansion. Second is the online application. Third will be a change reporting option, to help client's report with ease. And last is the query status, to help clients find out case status information over the web. The second part of the proposal is to team up advocacy organizations to provide hands on assistance with the new tools. The Grant is due February 26, 2003. An executive summary is attached.

6. Governor's Budget

Susan Wood reviewed the proposed budget cuts for IM programs. Please review the handouts attached. The Committee requested to have DHFS Secretary Helene Nelson attend one of our IMAC meetings or to meet with WHCSA representatives.

7. Next Meeting

The next meeting is scheduled for March 20, 2003 at the Job Center located on Aberg Ave. Directions can be found on the web.

Handouts:

IM TRAINING STATUS REPORT FOR IMAC
2/20/03

- ◆ DWS/BPS has scheduled New Worker training through June. DHFS has had input into this process. We anticipate a comparable schedule from July – December 2003. Start dates and locations were agreed upon as follows (see the web site for actual class details):

LOCATION	START DATE**	TYPE OF CLASS
Mosinee	End of January	FS, MA, CC, W2
Madison	March 10	FS, MA
Milwaukee*	March 31	FS, MA
Milwaukee	April 7	FS, MA, CC
Milwaukee W2	April 21	Mil W2
Oshkosh	May 26	FS, MA
Mosinee	June 23	FS, MA, CC, W2

*Locations were based on training center availability. The RTC was booked in Oshkosh, so a class that might normally have run there was scheduled in Milwaukee. This class is not limited to Milwaukee County staff (and it is likely that most Milwaukee County staff will attend the Milwaukee model class that begins on April 7).

**Start date reflects the date that the agency pre-requisites and participation begin date – the actual classroom start date is 2 weeks later.

- ◆ BHCE Managers have met to discuss training priorities for other IM training programs for the remainder of SFY 03.

FS Application Processing	Training session	In progress
SC Pre Printed Review Form Training and Support	Training and on-site support for CAPO	TBD
"9/5 – Not" and "KIDS to CARES..." Follow up labs	Follow up Labs	In progress
Alerts/DX	Web self study guides	Under development
"9/5 - Not" sessions	Training session	In progress
"Kids to CARES..." sessions	Training session	In progress
Fantastic 4 PAC		
Aliens/Migrants	Training session	Under development
FS Medical Expenses	Training session	Under development

IM training priorities for SFY 04 are being discussed and documented by DHFS staff.

- ◆ Work on the IM required training Administrator's Memo is near completion. Highlights of the Administrator's Memo include:
 - ✓ Administrative Rule DWD 23 has been published, and will be converted to a DHFS rule in the near future (with no change in rule language).
 - ✓ Income Maintenance training priorities through June, 2003 are Food Stamp Error Reduction and implementation of the SeniorCare Pre-printed Review Form (PPRF).
 - ✓ IM training priorities for July 2003 and beyond are being discussed. We anticipate these priorities will focus on training that will ensure and enhance worker competency in administering the IM programs.
 - ✓ 2003 will be a transition year for state agency responsibilities related to training, including training roles, responsibilities and oversight between DWD and DHFS.
 - ✓ DHFS (in conjunction with our DWD training partners) would like to continue to take a flexible approach to training, and optimize opportunities for distance learning as a high priority.
 - ✓ DHFS is involved with DWD's redesign of the training web site that is expected to be completed this summer.
 - ✓ DHFS is considering reducing the annual training credit requirements to 12 hours for experienced IM workers, and re-defining more broadly what activities will be considered in meeting the requirements.
 - ✓ DHFS is re-evaluating the concept of Enhanced Case Management requirements (ECM) and their applicability to the IM worker job function.
 - ✓ DHFS intends to work collaboratively with the new IMAC Training and Technical Assistance subcommittee to set direction and accomplish common goals.

Handout for the Workload and Financing Committee

	ASSIGNMENTS	LEAD STAFF LOCAL & STATE	CURRENT STATUS
1.	Adequacy of administrative funding for IM programs; including: a. Base Income Maintenance Administration Allocation (IMAA) b. Fraud programs c. MA transportation	John Rathman & Susan Wood	a. WCHSA proposal regarding IMAA is ready for use by WCA and individual counties; DHFS is continuing to look for ways to balance workload and funding b. DHFS is conducting a review of the workload and budget for the program integrity functions and will report back to the committee in March. c. DHFS will prepare a status report on workload and funding issues and report back to the committee in March.
2.	Methodology for distribution of IM funds and for costing out potential program changes	Ed Kamin & Joanne Simpson	No activity at this time – pending outcome of efforts to increase IM funds.
3.	Cost allocation, including impact of the Random Moment Time Study on local administrative funding	John Rathman & Joanne Simpson	Models were discussed and one adopted in 2001 with creation of the new methodology for distributing IM funds 1/02 Running parallel systems for January - March 2003 while RMTS data is collected and analyzed
4.	Program coordination within IM programs & between IM and employment programs	John Rathman, Mike McKenzie & Scott Riedasch	MA & FS policy and process coordination is being addressed in the IMAC Program Simplification Subcommittee; DHFS is organizing MA & FS responsibilities to fully integrate functions. The W-2 committee is addressing IM & Employment program coordination – with DHFS representatives.
5.	IM contract language for	Ed Kamin &	Timeline is being developed with key dates;

2004	Joanne Simpson	QA subcommittee will make recommendations on performance standards
6.	Ed Kamin & Susan Wood	<p>All sub-committees working on aspects of this. Demo of SeniorCare operation and scanner set for 2/20/03. Hennepin County, MN staff invited to make a presentation at IMAC this Spring.</p> <p>WCHSA to sponsor a second statewide Workload Symposium in the Fall of 2003. In the meantime, DHFS will prepare a memo to all IM agencies to report on follow-up to the 2/02 Symposium and also provide a status report to supervisors who attend the four DHFS-sponsored supervisory forums scheduled for March & April 2003.</p>

DEPARTMENT OF HEALTH AND FAMILY SERVICES

GOVERNOR'S BUDGET RECOMMENDATIONS

<p>DEPARTMENTWIDE</p> <p>1. Budget Efficiency Measures</p> <p>PROGRAM 4 – HEALTH CARE FINANCING</p> <p>40. Revenue Maximization Reinvestment</p> <p>55. SeniorCare Cost Sharing</p> <p>56. BadgerCare Cost Sharing</p> <p>57. Medical Assistance for Breast and Cervical Cancer</p> <p>58. AFDC – Unemployed Parent Rules in Medicaid</p> <p>59. Medical Assistance Divestment</p> <p>60. Special Enrollment Period for Health Insurance Premium Payment</p> <p>62. Spousal Impoverishment Asset Limit</p> <p>65. Personal Needs Allowance</p> <p>66. Irrevocable Burial Trusts</p>	<p>71. Income Augmentation</p> <p>72. Medical Assistance Contracts Reestimate</p> <p>73. Food Stamps</p> <p>74. Transfer of Burial Program</p> <p>76. Centralize Income Maintenance Administration</p> <p>ITEMS NOT APPROVED</p> <p>95. Medical Assistance for Youths Leaving Outof-Home Care</p> <p>96. Medical Assistance Income Limit for the Elderly and Disabled</p> <p>98. Food Stamps Appropriation Management</p>
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Reduce Administrative Costs in the Income Maintenance System

	FY 04		FY 05	
	GPR	All Funds	GPR	All Funds
IM Expenditures	\$ (3,411,600)	\$ (6,823,200)	\$ (6,732,500)	\$ (13,465,000)

Description of Proposal

- Implement the following processing changes to eligibility determinations performed by Income Maintenance (IM) agencies:
 - reduce verification requirements,
 - streamline change reporting requirements by considering timing and content of changes,
 - reduce the frequency of eligibility reviews, and
 - improve automated tools for internet, mail and phone contacts.
- Expand the statewide processing center (currently used for SeniorCare) to handle mail-in applications, change reports and re-determinations for Medicaid. This would shift workload from county IM agencies to the statewide processing center.
- Provide a 2% annual rate increase to the state/county IM contract.

Background

- Through the Income Maintenance (IM) contract, the Department contracts with counties and tribes to administer eligibility determinations for the Medicaid (MA), BadgerCare, Food Stamps and SSI Caretaker Supplement programs. Local agencies serve as a local point of contact for individuals interested in these income maintenance programs.
- IM agencies process applications for all individuals who apply at the local agency for Food Stamps, MA, BadgerCare, and SSI Caretaker Supplement. However, IM agencies do not process applications for all MA eligible individuals because SeniorCare applications are handled by a statewide processing center and individuals automatically eligible for MA due to Supplemental Security Income eligibility or foster care placement are made eligible through the state's fiscal agent.
- Annual state funding for the IM contract is \$57.4 million all funds. These funds are generally funded 50% with federal funding. Counties and tribes supplement the state funding with approximately \$7.1 million of local funds

because the current state funding level is insufficient to cover the total amount of the non-federal share of IM costs.

- IM contract funding has not received a rate increase since 1985.
- IM cases have increased recently. In FY 02, the average monthly Food Stamp caseload increased 21% from 208,127 eligible individuals in FY 01 to 251,868 in FY 02 and average monthly MA caseload increased 10% from 421,422 eligible individuals in FY 01 to 464,933 in FY 02. IM agencies were provided no additional funds for these increases.
- Eligibility determinations processed at the statewide processing center from SeniorCare mail-in applications have been shown to cost less than determinations performed at local agencies through an in-person interview.

Rationale for Proposal

- IM agencies are struggling with increasing caseload and flat funding and the quality of eligibility determinations are at risk. This proposal provides changes to reduce workload at IM agencies to achieve a better balance between workload and funding.
- This proposal streamlines program administration. Policy changes and changes to the CARES automated support system used by IM agencies will reduce the time IM workers spend determining eligibility, resulting in reduced costs. Additional savings are created by expanding the use of the statewide eligibility processing center which can process cases at a lower cost/case.
- A portion of the savings generated is being used to provide an increase to the state/county IM contract.
- This proposal creates savings without limiting the choices of individuals applying for income maintenance programs. Individuals may apply for MA or BadgerCare by mail, which would be processed at the statewide center, or may continue to apply at the local IM agency.

Proposal to Centralize Income Maintenance Administration
2003 – 2005 Budget
Status Report 2/20/03

This proposal will reduce IM contracts for 2004 and 2005 by \$21.8 Million (AF) per year. The base IM allocation for 2003 is \$57,362,530. This is a 38% reduction.

The proposed reduction in the IM contracts is due to:

1. The loss of \$242 per case for an estimated 90,000 cases shifted to the state processing center.
2. A \$24 per-case savings estimate for the FS/MA cases that remain at the local agency (based on savings of one hour per case per year).

These funds are redirected to:

- State operations to support the state processing center – at an estimated cost of \$126 per case
- 2% increase in the base Income Maintenance Administrative Allocation for 2004
- Balance to help address the deficit in the state General Fund

Assumptions

The Central Application Processing Operation in Madison that handles the SeniorCare cases will be expanded to handle mail-in applications, change reports and redeterminations for additional types of MA cases. This requires modifications to Chapter 49.33 in terms of the state- supervised, county-administered IM system as well as CARES changes to support new case types in the statewide center and creation of the technical capacity for a statewide change reporting center.

The earliest date this could begin is January 2004. Once implemented, responsibility for an estimated 75% of the MA-only open cases and new applications will shift from counties and tribal agencies to the state center - this is about 90,000 cases. Changes could be directed to the state processing center for all cases beginning in January 2004. It would take a year to complete all the annual reviews on these cases.

This would include these case types:

- all Medicare premium assistance cases (4000)
- all SSI-Caretaker Supplement cases not on Food Stamps; and
- other MA-only cases - this is both families on MA/BadgerCare and elderly and disabled adults.

It is assumed that customers would be able to choose the mail-in option or in-person at the local agency and that 25% would continue to go to the local agencies on average over the course of the year.

Caseload estimates

- Unduplicated caseload - 236,648 (3/02)
- About 51% of the unduplicated cases in CARES are MA only.
- Assuming 75% shift to the state processing center – this is about 90,000 cases.

Cost estimates

- The cost per case handled by the local agency is \$242
- The cost per case handled by the SeniorCare Center is \$126
- Per-case savings estimate is \$116.

February 26, 2003

Lynn Rodgers, Grants Management Officer
USDA - Food and Nutrition Service
Grants Management Division
3101 Park Center Drive, Room 738
Alexandria, VA 22303

Dear Ms. Rodgers:

Governor Jim Doyle has designated the Department of Health and Family Services (DHFS) as the state agency responsible for Wisconsin's Food Stamp Program Participation Grant proposal.

Wisconsin is requesting \$2.0 million to fund our project, Wisconsin's Customer Self-Service Initiative. This grant application will focus on helping us achieve the dual goals of improving access to the Food Stamp Program for both new applicants and current participants and increasing Wisconsin's payment accuracy rate. We will accomplish these goals by providing our customers with a simple way of accessing food stamps.

The Wisconsin proposal builds on both our existing automated systems and innovative new techniques currently being used in Wisconsin and other states which use the Internet as a direct link between our customers and the program. Our proposal also builds on existing program structures and partnerships with other state and local agencies and community based organizations. In fact, several community based organizations in Wisconsin, including the Hunger Task Force and the Wisconsin Community Action Coalition, play essential roles in our proposal.

Questions regarding the Wisconsin Food Stamp Program Participation Grant should be directed to Jim Jones at (608) 266-9435 (jonesjd@dhfs.state.wi.us) or Joanne Simpson at (608) 261-8358 (SimpsJ@dhfs.state.wi.us).

We are pleased to have an opportunity to work with you and other staff at the Food and Nutrition Services on this important initiative. On behalf of the DHFS and Wisconsin's Food Stamp Outreach project staff, thank you for your consideration of this application. We look forward to hearing from you.

Sincerely,

Helene Nelson
Secretary

BACKGROUND

Wisconsin Food Stamp Program

The Second Annual Status Report on Hunger in Wisconsin, published last month, indicates that 8.8% of Wisconsin households were food insecure in the years 1998- 2000.

Wisconsin's commitment. The Department of Health and Family Services (DHFS) is committed to improving access to key federal food programs, including the Food Stamp program, as it is an effective way to improve the health status people in Wisconsin and to bring additional federal funds to Wisconsin to stimulate the state's economy. The program provides food benefits to low-income families that can help them to improve their healthy food choices and promote well-balanced diets, a key to good health.

Current food stamp participation data. Current national estimates are that only 59% of those who are eligible participate in the program nationally, and Wisconsin has lagged behind the national trends in recent years. The most recent federal report – for 2000 – shows Wisconsin as the 15th lowest state in the nation in Food Stamp program participation. As of December 2002, approximately 286,000 individuals in Wisconsin were participating in the Food Stamp program.

Benefits to Wisconsin economy. The economic impact of increased participation is significant. Currently the program brings about \$160 million in federal revenue to Wisconsin annually, which goes directly to the retail grocers of the state. Food Stamp benefits are 100% federally funded.

Increased enrollment with 100% federal funds provides a direct federal economic stimulus for the state and its businesses, creating jobs and strengthening public revenues. By enrolling 1,000 new households in the Food Stamp program, a state can bring \$158,000 federal dollars into its economy per month, or nearly \$1.9 million annually.

USDA Federal Grant

In January 2003 the USDA Food and Nutrition Service announced the availability of up to \$5.0 million in federal fiscal year (FFY) 2003 for Food Stamp Program Participation Grants. The purpose of the grants is to support projects that develop and implement:

- Simple food stamp application and eligibility determination systems; or
- Measures to improve access to food stamp benefit by eligible applicants.

The grants will be funded for the period June 1, 2003 through May 30, 2006. FNS anticipates awarding grants primarily in the \$750,000 to \$1.0 million range and plans to announce the grant awards to the selected grantees in May 2003.

WISCONSIN'S GRANT PROPOSAL

On February 26, 2003, the DHFS submitted its application for a Food Stamp Participation grant to the FNS. Wisconsin's proposal is described below.

Customer Service Toolbox. Wisconsin's proposal requests funding to build a statewide set of Internet-based self-service tools for Food Stamps and Medicaid, to include:

- Self-Screener – To enable customers to enter basic information about the household and to receive a response about potential eligibility for Food Stamps, Medicaid or other public assistance programs.
- Application for Service – To allow a person to enter all information necessary to apply for these programs onto the Internet and to transmit the information to the automated state eligibility determination system (CARES). CARES will automatically alert the appropriate local economic support worker to then process the application.
- Change Reporting Tool – To allow the customer to access information about his/her case and to report changes as required through a designated Internet web site using an assigned case number, user I.D. and password. New information will be transmitted through CARES to the local worker.
- Query Status Tool – To allow customers to use their case number, I.D. and password to query their case for application status, date of next review, changes reported and processed, eligibility status and benefit amounts.

Demonstration Sites. To assure that these new components work well in the real world, DHFS will partner with community based agencies in demonstration sites, designed to achieve maximum utilization of the new on-line customer service tools. Our partners in this effort will be the Hunger Task Force of Milwaukee and the statewide network of Community Action Agencies.